

The majority of the members were in favour of the imposition of the income-tax on non-agriculturists on the ground that the latter do not, like agriculturists, pay for the benefits they enjoy, that it is but fair that such people should contribute something to the State and that it is necessary to add to the resources of Government, the activities of which have been increasing in so many directions. Some agreed to the levy on condition that the proceeds were used solely for promoting education.

Those who opposed the measure said that it would not be very productive, that there would be much difficulty for the people in keeping accounts and for Government in collecting the tax, and that the tax, even though it was to be levied only from non-agriculturists in the first instance, would ultimately fall on the agriculturists in many cases, *e.g.*, when it was levied from lawyers and money-lenders.

*The Dewan* explained that the tax was not new as it was in existence in British India and in some of the Native States and that more difficulties in the way of accounts and collection than existed there need not be anticipated. The levy of a tax on the lines prevailing in British India when put to the vote was accepted by 69 members and 61 voted against it.

*Reply of Government.*—If the income tax is levied, rates less than those of British India will be adopted and the income earmarked for education.

SUBJECT No. 128.

Withdrawn.

Change in the financial policy of the Government so as to improve the economic condition of the agricultural classes.

Mr. H. V. Rangaswami, Hassan taluk.

SUBJECT No. 129.

Withdrawn.

Grant of profits or bonuses to holders of policies in the State Life Insurance.

Mr. Venkataramaniah, Kolar municipality.

SUBJECT No. 130.

Extension of the benefits of State Life Insurance to patels and shanbhogs.

Mr. Venkataramaniah, Nagamangala taluk.

*Summary of discussion.*—Government servants are made to insure their lives and thereby provision is made for their livelihood after their retirement. Similar privileges should be given to patels and shanbhogs.

It was stated by some members that as they had more confidence in Government they preferred State insurance to insurance with a private company.

The entire Assembly was in favour of the Government Insurance Scheme being extended to the public generally.

*Reply of Government.*—Under consideration.